

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

2017 FEB 23 PM 1:40

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF BLACK MOUNTAIN OPERATING  
LLC FOR A NON-STANDARD OIL SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**Case No. 15,628**

**APPLICATION OF BLACK MOUNTAIN OPERATING  
LLC FOR A NON-STANDARD OIL SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**Case No. 15,629**

**APPLICATION OF BLACK MOUNTAIN OPERATING  
LLC FOR A NON-STANDARD OIL SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**Case No. 15,630**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by Mewbourne Oil Company as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Black Mountain Operating LLC

**APPLICANT'S ATTORNEY**

J. Scott Hall

**OPPONENT**

Mewbourne Oil Company  
Suite 1020  
500 West Texas  
Midland, Texas 79701

**OPPONENT'S ATTORNEY**

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attention: Corey Mitchell  
(432) 682-3715

## STATEMENT OF THE CASE

### APPLICANT

Case No. 15,628: Black Mountain Operating LLC seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2SW/4 of Section 10 and the E/2W/2 of Section 15, Township 23 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the unit.

Case No. 15,629: Black Mountain Operating LLC seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2SE/4 of Section 10 and the W/2E/2 of Section 15, Township 23 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the unit.

Case No. 15,630: Black Mountain Operating LLC seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2SE/4 of Section 10 and the E/2E/2 of Section 15, Township 23 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the unit.

### OPPONENT

Mewbourne Oil Company opposes the above applications, and requests that its applications in Case Nos. 15,600, 15,601, and 15,602 be granted.

## PROPOSED EVIDENCE

### APPLICANT

#### WITNESSES

#### EST. TIME

#### EXHIBITS

### OPPONENTS

#### WITNESSES

#### EST. TIME

#### EXHIBITS

Corey Mitchell  
(landman)

20 min.

Approx. 8

Nate Cless  
(geologist)

20 min.

Approx. 5

Travis Cude

20 min.

Approx. 5

**PROCEDURAL MATTERS**

Applicant requests that the above cases, and Mewbourne Oil Company's Case Nos. 15,600, 15,601, and 15,602, be consolidated for hearing.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Mewbourne Oil Company